

Message Text

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TAGS: EAGR,TGEN,US

SUBJECT: US-USSR AGREEMENT ON AGRICULTURAL GOOPERATION: SECOND
MEETING OF THE WORKING GROUP ON AGRICULTURAL ECONOMIC RESEARCH
AND INFORMATION

1. WORKING GROUP MET IN WASHINGTON MAY 13-17 AT USDA. MEETING
COCHAIRIED BY DEPUTY ASSISTANT SECRETARY OF AGRICULTURE RICHARD
E. BELL AND DEPUTY DIRECTOR OF AGRICULTURAL SECTION OF USSR
STATE PLANNING COMMITTEE G.P. RUDENKO

2. PURPOSE OF MEETING WAS TO DEVELOP FURTHER THE PLAN OF
COOPERATION IN AGRICULTURAL ECONOMICS AGREED UPON IN NOVEMBER
1973 AT WORKING GROUP MEETING IN MOSCOW, TO HOLD
BILATERAL CONSULTATIONS ON AGRICULTURAL ECONOMIES OF U.S.
AND USSR AND TO CONDUCT WORKSHOP IN FORECASTING.

3. WORK PLAN FOR 1974-75 INCLUDES ACTIVITIES IN AGRIBUSINESS,
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DATA HANDLING AND FORECASTING AND EXCHANGE OF ECONOMIC DATA.

THE U.S. SIDE PROPOSED SENDING NINE TEAMS TO USSR IN REMAINDER OF 1974 AND ABOUT SAME NUMBER IN 1975; SIX OF 1974 TEAMS ARE IN CONNECTION WITH EXCHANGE OF ECONOMIC DATA PROJECT. SOVIETS PROPOSED SENDING TOTAL OF SEVEN TEAMS TO U.S. IN 1974/75 MOSTLY IN AGRIBUSINESS.

4. U.S. SIDE PRESENTED LIST OF ADDITIONAL ECONOMIC DATA IT HOPES TO RECEIVE FROM SOVIETS AND SOVIETS PRESENTED LIST OF DATA THEY DESIRE IN ADDITION TO THOSE NORMALLY RECEIVED FROM USDA PUBLICATIONS. SOVIET SIDE AGREED IN PRINCIPLE TO SOME OF U.S. DATA REQUESTS BUT ONLY AD REFERENDUM. U.S. SIDE AGREED TO CONSIDER SOVIET LIST. IT IS U.S. INTENTION TO PROVIDE DATA WITHIN THE CAPABILITIES OF U.S. STATISTICAL REPORTING SYSTEMS BUT THIS IS NOT CONTAINED IN MINUTES OF WORKING GROUP MEETING. SOME OF DATA REQUESTED BY SOVIETS IS NOT ROUTINELY COLLECTED IN U.S.

5. MEETING WENT SMOOTHLY BUT SOVIETS CONTINUE TO RESIST PROVIDING FORWARD TRADE DATA AND DATA RELATING TO CONSUMPTION SUCH AS BREAKDOWNS INTO SPECIFIC CATEGORIES, AND THE PROCESSING INDUSTRIES SUCH AS EXTRACTION RATES FOR FLOUR, VEGETABLE OILS, AND MEALS, ETC. ON THE WHOLE, DELEGATION ATTITUDE WAS THAT MINISTRY OF AGRICULTURE WAS COMPETENT TO DISCUSS PRODUCTION BUT ONE COMMODITIES LEFT FRAM GATE THEY VANISHED INTO THIN AIR AND DELEGATION HAD LITTLE OR NO IDEA OF WHAT HAPPENDE TO THEM. U.S. SUGGESTION THAT FUTURE DELEGATIONS BE BROADENED TO INCLUDE MEMBERS OF MINISTRIES COMPETENT TO DISCUSS THESE KINDS OF DATA LED TO FOUR HOUR DISCUSSION ON LAST DAY AND CONSIDERABLE HEAT. ISSUE WAS COMPROMISED BY ELIMINATING TEXTUAL INTRODUCTION TO APPENDIX V AND INSERTION IN PARAGRAPH THREE PAGE THREE OF MINUTES STATEMENT U.S. SIDE NOTED QUOTE THE DESIRABILITY OF INCLUDING IN FUTURE DELEGATIONS SPECIALISTS IN FOOD PROCESSING, CONSUMPTION AND FOREIGN TRADE UNQUOTE. RUDENKO'S FORMAL PRESENTATION ON SOVIET AGRICULTURE WAS WITH ONE OF TWO EXCEPTIONS RECITATION OF DATA ALREADY PUBLISHED. MEMBER OF SOVIET TRADE REPRESENTATIVE OFFICE IN U.S. PARTICIPATED IN MEETING FOR PRESENTATION ON SOVIET AGRICULTURAL TRADE, BUT DID NOT OFFER DATA OTHER THAN THAT FOR 1973 ALTHOUGH THE 1973 DATA HAVE NOT YET BEEN PUBLISHED IN USSR.

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6. MINUTES OF MEETING DO NOT RPT NOT CONTAIN AS STRONG A STATEMENT AS WE WOULD HAVE LIKED ON OUR DESIRES FOR FURTHER ECONOMIC DATA, PARTICULARLY FORWARD ESTIMATES OF PRODUCTION, CONSUMPTION, DEMAND AND TRADE, BUT DO REFLECT U.S. CONCERN SUFFICIENTLY TO SERVE AS BASIS OF DISCUSSION DURING RUNOV VISIT TO WASHINGTON JUNE 18.

7. MINUTES OF MEETING PROVIDE FOR DEVELOPMENT OF SYSTEMATIC EXCHANGE

OF PUBLISHED STATISTICAL AND ECONOMIC INFORMATION BETWEEN NATIONAL AGRICULTURAL LIBRARY, ERS, SRS, AND FAS AND CENTRAL SCIENTIFIC AGRICULTURAL LIBRARY, ALL-UNION SCIENTIFIC RESEARCH INSTITUTE OF AGRICULTURAL ECONOMICS, INSTITUTE OF AGRICULTURAL INFORMATION AND CENTRAL STATISTICAL OFFICE.

8. WORKSHOP ON FORECASTING METHODS USEFUL IN DEVELOPING UNDERSTANDING SOVIET SYSTEM PRESENTATION BY SRS OF U.S. APPROACH TO ESTIMATING CROP PRODUCTION SHOULD BE USEFUL BASE FOR FUTURE EXCHANGES.

9. AMONG SOVIET DELEGATES, RUDENKO ADHERED STRICTLY TO SOVIET LINE ON DATA BUT WAS COOPERATIVE IN WORKING OUR COMPROMISE STATEMENT. HE SEEMED MUCH IMPRESSED BY HIS RECEPTION HERE AND SHOULD HAVE CARRIED AWAY ACCURATE UNDERSTANDING OF U.S. NEEDS FOR DATA. NAZARENKO WAS COLD AND EFFICIENT. HE WAS APPARENT SOURCE OF SOVIET DATA REQUEST AND MADE SEVERAL OVERTURES DURING MEETING FOR DIRECT EXCHANGES OF INFORMATION IN HIS IMMEDIATE AREAS OF INTEREST. HEGRU-VODE WAS VERY COOPERATIVE AND WORKED OUT AGRIBUSINESS PROGRAM WITH FAS MARKET DEVELOPMENT STAFF AND COOPERATOR COUNCIL FOR AGRICULTURAL MARKET DEVELOPMENT TO SEEMING SATISFACTION OF ALL PARTIES. CONSIDERABLE EXPOSURE TO COOPERATORS DURING MEETING AND DURING SUBSEQUENT TRAVEL IN U.S. SHOULD GIVE HIM CLEAR UNDERSTANDING OF WHAT IS REQUIRED TO DEVELOP PROGRAMS IN AGRIBUSINESS AREA. KOSYNKIN WAS QUIET AND RESERVED BUT APPARENTLY IS YOUNG MAN ON THE WAY UP IN MINAG AND WORTH CULTIVATING. MRS. TRYESORUKOVA WAS COOPERATIVE WITHIN THE LIMITATIONS PLACED ON HER. SHE HAS ENCYCLOPEDIA KNOWLEDGE OF SOVIET AGRICULTURAL STATISTICS AND ALSO IS WORTH CULTIVATING, IF SHE IS ABLE TO HAVE REGULAR CONTACT WITH AGATT.

10. MEETING WAS NOT RPT NOT ENTIRELY SATISFACTORY TO U.S. SIDE REGARDING INFORMATION EXCHANGE PROJECT AND U.S. MAY HAVE CONFIDENTIAL

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TO DECREASE LEVEL OF PARTICIPATION IN COOPERATIVE ACTIVITIES KNOWN TO BE OF PRIMARY INTEREST TO THE SOVIETS IF RUNOV IS NOT RPT NOT ABLE TO BE FORTHCOMING DURING HIS WASHINGTON VISIT. EXCHANGE DURING MEETING OF WORKING GROUP WHEN U.S. PRESSED FOR FORWARD ESTIMATES ELICITED FOLLOWING SUGGESTION BY RUDENKO: "SOVIET OFFICIALS WOULD BE WILLING TO DISCUSS DURING GROWING SEASON WITH U.S. OFFICIALS PROGRESS OF CROPS AND PROSPECTS FOR EXCEEDING OR FALLING SHORT OF PLAN PRODUCTION LEVELS." HOWEVER, RUDENKO QUICKLY WITHDREW OFFER. SUGGEST AGRICULTURAL ATTACHE ALONG THE U.S. TEAMS VISITING MOSCOW UNDER AGREEMENT REGULARLY INQUIRE RE LIKELY PRODUCTION LEVELS RELATIVE TO PLANNED AMOUNTS. OUR ASSESSMENT OF PROGRESS ACHIEVED AT THIS SECOND WORKING GROUP MEETING AS REGARDS EXCHANGE OF ECONOMIC DATA IS THAT RESULTS WERE MINIMAL. MOREOVER, WE SUSPECT NAZARENKO'S REQUEST, PARAGRAPH FOUR ABOVE, CONSTITUTES PLOY DESIGNED TO

LAY GROUNDWORK FOR FUTURE SOVIET PARRYING OF U.S. DATA REQUESTS ON BASIS THAT U.S. NOT RPT NOT SUPPLYING SOVIETS WITH REQUESTED ECONOMIC INFORMATION.

11. IN PRIVATE CONVERSATIONS AT SOCIAL FUNCTIONS ASSOCIATED WITH MEETINGS, RUDENKO AND NAZARENKO WERE MORE OPEN WITH BELL AND OTHER OFFICIALS REGARDING OUTLOOK FOR 1974 CROP PROSPECTS IN THE USSR. ALTHOUGH RUDENKO ALWAYS HEDGED HIS STATEMENTS BY SAYING THAT IT IS STILL TOO EARLY TO MAKE AN ACCURATE APPRAISAL, HE GAVE IMPRESSION THAT HE PROBABLY IS MORE OPTIMISTIC WITH RESPECT TO 1974 SOVIET CROP PROSPECTS THAN DATA ON WEATHER AND SPRING PLANTINGS WOULD IMPLY. RUDENKO SAID IN HIS VIEW IT USUALLY IN NECESSARY TO BE HALF WAY THROUGH THE SOVIET GRAIN HARVEST BEFORE ONE CAN BEGIN TO ACQUIRE A FEEL FOR THE LIKELY OUTTURN. BASED ON HIS EXPERIENCE WITH OTHER COUNTRIES, BELL WAS SATISFIED WITH PERSONAL RELATIONSHIPS WHICH DEVELOPED DURING THESE MEETINGS AND IS CONFIDENT THEY CAN BE MORE FULLY AND USEFULLY DEVELOPED IN FUTURE MEETINGS.

12. DURING POST MEETING TRAVEL, SOVIETS WERE VERY RESERVED IN BUSINESS AND SOCIAL CONTACTS AND RELUCTANT TO ANSWER QUESTIONS ABOUT SOVIET AGRIBUSINESS AND EVASIVE WHEN ASKED FOR SPECIFIC STATISTICS. IN SOME CASES PARTICULARLY REGARDING LIVESTOCK AND POULTRY THEY PROBABLY DIDN'T KNOW THE ANSWERS, BECAUSE THEY WERE OUT OF THEIR FIELDS OF SPECIALIZATION. DURING TRAVEL NEGRU-VODE EMERGED AS APPARENT CONFIDENTIAL

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REAL LEADER OF GROUP. TEAM WAS PRIMARILY INTERESTED IN ECONOMICS OF AGRIBUSINESS BUT NEAR TOTAL LACK OF UNDERSTANDING OF MARKET SYSTEM MADE COMMUNICATION BETWEEN U.S. INDUSTRY AND SOVIETS DIFFICULT. SOVIETS EXPRESSED SOME ANNOYANCE THAT RALSTON PURINA WOULD NOT PROVIDE DATA ABOUT CURRENT RESEARCH DONE ON CONTRACT FOR OTHER FIRMS. KOSYNKIN WAS OBVIOUSLY JUNIOR AND INEXPERIENCED BUT ALSO VERY BRIGHT. HE ASKED MAJORITY OF QUESTIONS DURING TRIP. KISSINGER.

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